

ORIGINAL

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001 RECEIVED

OCT 2 4 12 PM '98

MAILING ONLINE SERVICE

Docket No. MC98-1

RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS STIREWALT TO INTERROGATORIES OF  
THE OFFICE OF THE CONSUMER ADVOCATE  
REDIRECTED FROM WITNESS SECKAR  
(OCA/USPS-T2-14(A-C), 15, AND 16(A-C))

The United States Postal Service hereby provides the responses of witness Stirewalt to the following interrogatories of the Office of the Consumer Advocate: OCA/USPS-T2-14(a-c), 15, and 16(a-c), filed on September 9, 1998, and redirected from witness Seckar. Presiding Officer's Ruling No. MC98-1/8, issued September 17, 1998, extended the deadline for answering these interrogatories until today.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

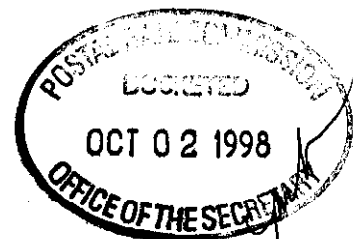
By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

*David H. Rubin*

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October 2, 1998



RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS STIREWALT TO  
INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE,  
REDIRECTED FROM WITNESS SECKAR

**OCA/USPS-T2-14.** Please refer to USPS-T-2, Exhibit A, Tables 14 and 15.

- a. For 1999, please confirm that the average information system fixed cost (including system developer costs), per transaction, is \$11.60 ( $\$831,867 / 71,722$ ). If you do not confirm, please explain and provide the correct figure.
- b. For 1999, please confirm that the average information system variable cost, per transaction, is \$21.73 ( $\$1,558,624 / 71,722$ ). If you do not confirm, please explain and provide the correct figure.
- c. For 1999, please confirm that the total average information system cost (fixed and variable), per transaction, is \$33.33 ( $\$2,390,491 / 71,722$ ). If you do not confirm, please explain and provide the correct figure.

**RESPONSE**

- a. Confirmed only to the extent that "transaction" as defined in my testimony can be used to estimate unit costs . I used transactions in my testimony only to estimate an average number of electronic pages, so I could calculate computing and telecommunications capacities. These capacities in turn provide one factor in determining total Information Systems costs for the Mailing Online service.  
"Transaction" in my testimony was not developed for purposes of determining unit costs. As witness Seckar indicated in his response to OCA/USPS-T3-26, impression, rather than transaction, represents a valid unit of cost for the Mailing Online service.
- b. Refer to my response to part (a) above.
- c. Refer to my response to part (a) above.Refer to my response to part (a) above.

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**OCA/USPS-T2-15.** Please refer to USPS-LR-1/MC98-1, Attachment 1, page 6. Please confirm that the "YR 2000 Estimate" for the total annual number of Mailing Online transactions is 125,268 (10,439 users x 12 average customer sessions per user per year). If you do not confirm, please explain and provide the correct figure.

**RESPONSE**

Confirmed.

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**OCA/USPS-T2-16.** Please refer to USPS-T-2, Exhibit A, Tables 14 and 15.

- a. For 2000, please confirm that the average information system fixed cost (including system developer costs), per transaction, is \$11.59 (\$1,451,830 / 125,268). If you do not confirm, please explain and provide the correct figure.
- b. For 2000, please confirm that the average information system variable cost, per transaction, is \$16.23 (\$2,032,515 / 125,268). If you do not confirm, please explain and provide the correct figure.
- c. For 2000, please confirm that the total average information system cost (fixed and variable), per transaction, is \$27.82 (\$3,484,345 / 125,268). If you do not confirm, please explain and provide the correct figure.

**RESPONSE**

- a. Refer to my response to OCA/USPS-T2-14 part (a) above, which applies to the year 2000 also.
- b. Refer to my response to OCA/USPS-T2-14 part (a) above, which applies to the year 2000 also.
- c. Refer to my response to OCA/USPS-T2-14 part (a) above, which applies to the year 2000 also.

### DECLARATION

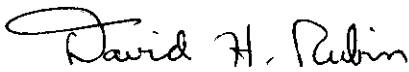
I, Daniel Stirewalt, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Daniel Stirewalt

Dated: October 2, 1998

### **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

  
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David H. Rubin

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